

Bridgeview Marina
PO Box 10400
Reno, NV 98510-0400

Re: Aquatic Lease 22-A02332- Confirmation of Permanent Removal of Floating House

Dear Mr. McNeil;

On November 1, 2004 Seven Js Limited Partnership entered into a lease agreement with the State for use of state-owned aquatic lands. The lease was assigned to Bridgeview Marina on May 28, 2014. At the commencement of the lease there was one floating house located within the harbor area on the Property (the Existing Floating House). The Existing Floating House was inventoried in detail in Exhibit B of the lease.

Floating houses are not allowed in Harbor Areas pursuant to WAC 332-30-109(11). On January 1, 2015 you contacted the Department of Natural Resources stating that the floating house had been permanently removed from the Property. On January 21, 2015 I conducted a site inspection at the marina and confirmed that the floating house was no longer present. The floating house is deemed to be permanently removed from the Property. This use may not be returned to the Property.

The floating house was a non-water dependent use occupying an 800 square foot area. This non-water dependent area may now only be utilized for water dependent purposes. The approved non-water dependent areas of the leasehold continue to include the filled parking lot, buildings and bulkhead which are further described in Exhibits A and B of the lease.

The leasehold now contains:

Water Dependent Area:	3.505
Non-Water Dependent Area:	0.555
<u>Public Access:</u>	<u>0</u>
Total Acreage:	4.06

Pursuant to Section 4.3 of the lease, this results in an adjustment in rent based on use. Bridgeview Marina pays rent on a quarterly bases. The next quarterly rent payment for the annual rent period from November 1, 2014 to October 31, 2015 is due on May 1, 2015. The May 1, 2015 leasehold rent will reflect the reduction in non-water dependent area as follows:

Water Dependent Area:	\$1,062.18
Non-Water Dependent Area:	\$2,182.82
<u>Public Access:</u>	<u>0</u>

Total Quarterly Rent: \$3,245.00 + leasehold tax

Thank you for your efforts to come into greater compliance with WAC 332-30-109(11). If you have any questions or concerns, please contact me.

Sincerely,

Lindie Schmidt